### CHANNEL SHARING AGREEMENT

THIS CHANNEL SHARING AGREEMENT (this "Agreement") is made as of November 12, 2015 between Sinclair Television Group, Inc. ("Sharer") and HSH Lancaster (WLYH) Licensee, LLC ("Sharee").

## Recitals

A. Sharer owns and operates the following television broadcast station, including its primary and all multicast streams ("Sharer's Station") pursuant to licenses issued by the Federal Communications Commission (the "FCC"):

## WHP-TV, Harrisburg, PA

B. Sharee owns and operates the following television broadcast station, including its primary and all multicast streams ("Sharee's Station") pursuant to licenses issued by the FCC:

## WLYH-TV, Harrisburg, PA

- C. Sharee and Sharer desire to participate in the broadcast television spectrum incentive auction conducted by the FCC under Section 6403 of the Middle Class Tax Relief and Job Creation Act (Pub. L. No. 112-96, § 6403, 126 Stat. 156, 225-230 (2012) ("Incentive Auction")) under the channel sharing rules
- D. The parties acknowledge that Sharer and Sharee may enter into another Channel Sharing Agreement with respect to Sharer's participation in the Incentive Auction (with Sharee's Station being used as the "shared channel"). Sharer and Sharee shall cooperate during the Term (hereinafter defined) in developing a strategy for the Incentive Auction in accordance with the terms of this Agreement and the rules and regulations of the FCC; provided, that Sharer shall have the right to determine which channel shall be the Shared Channel;
- E. If Sharer's participation in the Incentive Auction, if any, is not Successful, and Sharee's participation in the Incentive Auction is Successful (as defined in Section 1.2(a) below), Sharee will relinquish the television channel currently licensed to it by the FCC, and Sharer and Sharee will agree to share, on the terms and conditions set forth herein, WHP-TV, which is currently exclusively licensed to Sharer (such channel, or such other channel assigned to Sharer as a result of the Repacking (hereinafter defined), referred to herein as, the "Shared Channel");
- F. Sharer owns, or shall own, certain assets as set forth in Exhibit A hereto, including the transmitter site (the "Transmitter Site") and other equipment necessary for channel sharing that will be used by Sharer and Sharee in the operation of their television stations broadcasting on the Shared Channel (the "Shared Equipment," and together with the Transmitter Site, the "Transmission Facilities"); and
- G. Sharer and Sharee desire to enter into an agreement with respect to the matters set forth herein, including, without limitation, to provide for joint use of the Shared Channel and the Transmission Facilities, that is in accordance with the FCC Report and Order adopted in GN Docket No. 12-268, released June 2, 2014 (the "Incentive Auction Order") and the Report and

Order adopted in ET Docket No. 10-235, released April 27, 2012 ("Channel Sharing Order"), including without limitation the FCC regulations adopted at 47 C.F.R. §§ 1.2200-1.2209 and 73.3700, and the First Order on Reconsideration and Notice of Proposed Rulemaking adopted in MB Docket 15-137, released June 12, 2015 ("Channel Sharing Reconsideration Order"), as may be amended by the FCC from time to time (with the Incentive Auction Order and the Channel Sharing Order, the Channel Sharing Reconsideration Order, the "Channel Sharing Rules") on the terms set forth in this Agreement.

### Agreement

NOW, THEREFORE, taking the foregoing recitals into account, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

## ARTICLE 1: <u>AUCTION PARTICIPATION</u>

1.1 Term. The term of this Agreement (the "Term") will begin on the date of this Agreement and, unless extended or earlier terminated in accordance with this Agreement, will continue until the date twenty (20) years after the date of this Agreement, which Term shall thereafter automatically renew for successive terms of twenty (20) years each, unless both parties agree in writing to not renew the Term at least 180 days prior to the end of the then-current Term or unless earlier terminated in accordance with this Agreement.

## 1.2 Auction.

- (a) <u>Definition of Successful Auction Participation</u>. For purposes of this Agreement, "Successful" participation in the Incentive Auction is defined as (i) for Sharer, the FCC and Sharer entering into a binding commitment whereby the FCC will purchase the spectrum usage rights associated with the primary television broadcast license of Sharer's Station, and (ii) for Sharee, the FCC and Sharee entering into a binding commitment whereby the FCC will purchase the spectrum usage rights associated with the primary television broadcast license of Sharee's Station at a price equal to or greater than the price as shall be mutually agreed to in writing by Sharer and Sharee ("Reserve Price"), which Reserve Price may only be modified by mutual written agreement of Sharee and Sharer.
- (b) <u>Division of Auction Revenue</u>. The parties shall divide the revenue received from Sharee's Successful participation in the Incentive Auction (but not any revenue from Sharer's Successful participation in the Incentive Auction), as shall be mutually agreed to by Sharer and Sharee in writing.
- (c) FCC Application. Upon written notification by Sharer, Sharee shall timely file and thereafter diligently prosecute an application (the "FCC Application") to participate in the Incentive Auction as a channel sharer with Sharer. The parties shall cooperate in good faith with respect to the FCC Application and the Incentive Auction, and each party shall promptly provide the other with a copy of any pleading, order or other document it files or submits or that is served on it relating to the FCC Application, and shall furnish all information required by the FCC.

Each party shall notify the other of all documents filed with or received from the FCC with respect to this Agreement or the transactions contemplated hereby. Sharer shall use commercially reasonable efforts to provide Sharee with such information and assistance as Sharee may reasonably request in connection with Sharee's preparation of the FCC Application. Neither party shall take any action that would reasonably be expected to result in the dismissal of the FCC Application or that would reasonably be expected to result in the loss of Sharee's eligibility to participate in the Incentive Auction.

## ARTICLE 2: CAPACITY AND FCC LICENSES

- 2.1 Allocation of Bandwidth. Pursuant to the Channel Sharing Rules, Sharer and Sharee wish to share the 6 MHz Shared Channel (or 19.39 Megabits per second ("Mb/s") as allocated under the current ATSC system), as set forth in the Engineering Plan attached as Schedule 2.1, which may be modified from time to time by mutual written agreement of the parties, but which, at a minimum, shall provide that each channel sharing licensee shall retain spectrum usage rights adequate to ensure a sufficient amount of the shared channel capacity to allow it to provide at least one Standard Definition ("SD") program stream at all times. Other than the required common Program and System Information Protocol ("PSIP") information, each party may set the bit rates it elects for audio, video or other ancillary data to be broadcast on its television station using the Shared Channel. Sharer and Sharee shall allocate the requisite amount of bits of the Shared Channel for the common PSIP information necessary to provide the required tuning and guide information such that: (i) the bits devoted to the common requirements will be deducted equally from each party's bit allowance; and (ii) the parties acknowledge that a number of null packets may be required for television receivers to respond properly (and the amount of required null packets shall be deducted equally from each party's bit allowance), and the parties shall cooperate to ensure proper reception and decoding of the signal. Sharer and Sharee shall have an encoding pool, or, upon request of Sharer, Sharer and Sharee shall have separate encoding facilities and have one combiner to join the separate streams together for transmission if technically possible. Each of Sharer and Sharee shall have the right to monitor and audit the Shared Channel's encoding system to ensure compliance with Section 2.1. Each of Sharer and Sharee shall make all records of such encoding available to the other upon written request during normal business hours.
- 2.2 <u>Changes to Allocation</u>. In the event that a new standard of modulation is permitted by FCC Rules and implemented by Sharer, Sharee shall cooperate with Sharer in the implementation of such new standard, including any upgrades or equipment required therefore, the costs of which shall be shared equally by Sharer and Sharee, and Sharer and Sharee shall cooperate to divide the available bandwidth as set forth on *Schedule 2.1* hereto (but which, at a minimum, shall provide that Sharee shall retain spectrum usage rights adequate to ensure a sufficient amount of the shared channel capacity to allow it to provide at least one SD program stream at all times).
- 2.3 <u>Commitment to Provide Capacity</u>. Sharer shall transmit content provided by Sharee using the Shared Equipment. Except as provided herein, Sharer shall not alter the content provided by Sharee; provided, however that Sharer may: (i) encode, compress and/or modulate the content as required to multiplex together Sharer and Sharee content streams using the

parameters agreed to in this Agreement, and (ii) combine the information into a common PSIP format for transmission as agreed to in this Agreement.

2.4 <u>Upgrades and Modifications</u>. Except as may be required by law, Sharee shall not upgrade or modify the Shared Channel, Sharee's Station or its facilities, or file any application therefor, without the prior written consent of Sharer, in its sole discretion. Sharer shall have the right to upgrade or modify the Shared Channel, the Sharer's Station or its facilities, upon written notice to Sharee, to the extent that such upgrades or modifications do not prevent Sharee from retaining spectrum usage rights adequate to ensure a sufficient amount of the shared channel capacity to allow it to continue providing at least one SD program stream at all times or otherwise conflict with the terms of this Agreement. The parties shall reasonably cooperate with each other, and take all actions necessary to complete the modifications and upgrades described above.

### 2.5 FCC Licenses.

- (a) <u>Authorizations</u>. Each of Sharer and Sharee represents and warrants to the other that it holds all FCC and any other governmental licenses, approvals and authorizations necessary for operations of its respective station.
- (b) Compliance with Law. Sharer shall comply with this Agreement, the Channel Sharing Rules, and with all other FCC rules regulations and policies, and other applicable laws with respect to its ownership and operation of Sharer's Station and its use of the Shared Channel, and Sharee shall comply with this Agreement, the Channel Sharing Rules and with all other FCC rules, regulations and policies, and other applicable laws with respect to its ownership and operation of Sharee's Station and its use of the Shared Channel. Sharer shall be solely responsible for all content it transmits on the Shared Channel, and Sharee shall be solely responsible for all content it transmits on the Shared Channel. The obligations of the parties under this Agreement are subject to the rules, regulations and policies of the FCC and all other applicable laws. In addition, if the Transmitter Site is leased, Sharee shall comply with all leases or other agreements with respect thereto.
- (c) <u>Control</u>. Consistent with FCC rules, Sharer shall control, supervise and direct the day-to-day operation of Sharer's Station (including Sharer's employees, programming and finances), and Sharee shall control, supervise and direct the day-to-day operation of Sharee's Station (including Sharer's employees, programming and finances), and nothing in this Agreement affects any such respective responsibilities. Neither Sharer nor Sharee shall hold itself out as the licensee of the other's television station using the Shared Channel, and nothing in this Agreement shall give either party an ownership interest in the other party's station. Neither Sharer nor Sharee shall use the call letters of the other's television station in any medium.
- (d) FCC Fees. Each of Sharer and Sharee shall be responsible for timely payment of all fees owed by it to the FCC with respect to its television station using the Shared Channel. Each of Sharer and Sharee shall be responsible for fifty percent (50%) of any joint fees, if any, assessed by the FCC on the Shared Channel.

- (e) <u>Cooperation</u>. Each of Sharer and Sharee shall cooperate with one another in good faith as to any reasonable requests made by the other with respect to operation of the Shared Channel or the Transmission Facilities, including, without limitation, participating in any petitions or appeals (or litigation related thereto) relating to the Shared Channel, the relocation of the Shared Channel, or any other action of the FCC related to the Incentive Auction and impacting the Shared Channel, the Sharer's Station or the Sharee's Station, but shall not be obligated to waive any rights it holds under this Agreement, any other agreement or under law. Neither Sharer nor Sharee shall take any action or fail to take any action which interferes with or is reasonably likely to interfere with the other's use of capacity on the Shared Channel or the Transmission Facilities.
- 2.6. <u>Use of Capacity</u>. Each of Sharer and Sharee shall have the right to use its allocated capacity on the Shared Channel in such parties sole determination in accordance with the terms of this Agreement and all FCC rules and regulations, including without limitation broadcasting one stream or multiple streams and broadcasting content provided by third parties; provided that (i) a third party programmer shall not have the right to access the Shared Equipment without Sharer's prior approval, and (ii) with respect to its allocated capacity, Sharee shall be responsible for all (A) FCC fees associated with such streams and content thereon, and (B) costs associated with adding multiple program streams to the encoding pool, if any, for Sharee's multiple streams. Sharer shall have the right, in its sole discretion to enter into additional channel sharing agreements within its allocated capacity that do not have a material adverse effect on Sharee's Station operations or Sharee's rights under this Agreement.

## ARTICLE 3: POST-AUCTION OPERATIONS

The terms of this Article 3 shall be effective only from and after the date (if any) that Sharee's participation in the Incentive Auction is Successful.

#### 3.1 Transmission Facilities.

(a) Operations. Subject to any restrictions imposed by, or any required consent of. the owner of the Transmitter Site (if leased), Sharer shall provide Sharee with reasonable access to the Shared Equipment during normal business hours and upon at least 24 hours prior notice. Sharee shall not (i) act contrary to the terms of any lease for the Transmitter Site, (ii) permit to exist any lien, claim or encumbrance on the Transmission Facilities, the Shared Channel, or the Sharee's Station (or proceeds of the sale thereof), (iii) make material alterations to the Transmission Facilities, or (iv) interfere with the business and operations of Sharer, Sharer's Station or its use of the Transmission Facilities. Sharee shall cooperate with Sharer and provideall information reasonably required to obtain any third party consents necessary for Sharee's use of the Transmission Facilities. Sharee shall only use the Transmission Facilities for the operation of Sharee's Station in the ordinary course of business and for no other purpose. Each of Sharer and Sharee shall comply in all material respects with all federal, state and local laws applicable to its operations from the Transmission Facilities. Sharer shall maintain insurance on the Transmission Facilities, subject to reimbursement as set forth herein. Sharee shall maintain, at its own expense, sufficient insurance with respect to its use of the Transmission Facilities and its operations from the Transmitter Site during the Term and shall name Sharer as an additional insured under such policies.

- (b) Shared Transmission Facilities. During the Term, Sharer shall use commercially reasonable efforts to maintain and repair the shared Transmission Facilities in accordance with good engineering practices consistent with past practices. Title to all such shared Transmission Facilities held by Sharer as of the date hereof, or acquired by Sharer thereafter, shall remain with Sharer, and Sharee shall not move, damage or interfere with such facilities. Sharer shall have the right to modify or replace the Shared Equipment in its sole discretion as long as such modification or replacement does not materially adversely affect Sharee's operation of Sharee's Station. The parties will implement (and shall share all costs related thereto) any modification reasonably agreed to by the parties in order to accommodate multiple program streams on the Shared Channel and implement any new channel assigned by the FCC to the Shared Channel in any repacking required in connection with the Incentive Auction ("Repacking").
- (c) <u>Contractors</u>. All contractors and subcontractors of each of Sharer and Sharee who perform any service for Sharer or Sharee at the Transmitter Site or any other shared facilities shall hold licenses or governmental authorizations appropriate to and necessary for the work being performed. Any such contractor shall carry insurance issued by companies licensed in the state where the Transmitter Site or such other shared facility is located in the amount that is acceptable to Sharer and Sharee.
- (d) <u>Hazardous Materials</u>. Each of Sharer and Sharee shall: (i) comply with all environmental laws applicable to its operations from the Transmitter Site and any other shared facilities, (ii) not cause or permit the release of any hazardous materials on, to or from the Transmitter Site or any other shared facilities in violation of any applicable environmental laws, (iii) not take any action that would subject the Transmitter Site or any other shared facilities to permit requirements for storage, treatment or disposal of hazardous materials and (iv) not dispose of hazardous materials on the Transmitter Site or any other shared facilities except in compliance with applicable law.
- (e) <u>Termination</u>. At the end of the Term (or upon any earlier termination of this Agreement), Sharee shall vacate the Transmitter Site and any other shared facilities, move all of its assets and employees (if any) from such site, surrender the Shared Equipment in substantially the same condition existing on the date of commencement of the Term (reasonable wear and tear excepted), and return all keys and other means of entry to Sharer.
- 3.2 <u>Interference</u>. Each of Sharer and Sharee shall use commercially reasonable efforts to avoid interference with their respective operations from the Transmitter Site and to promptly resolve any interference that arises in connection with such operation. Neither party shall make changes or installations at the Transmitter Site or any other shared facilities that will impair or interfere in any material respect with the other party's signals or broadcast operations or use of the Shared Channel. In the event interference to such signals or operations does occur, the interfering party shall notify the other party in writing and take all commercially reasonable steps to correct such interference in all material respects within two business days.
- 3.3 <u>Installation and Maintenance</u>. In the event it is necessary for Sharer to reduce, limit or temporarily cease use of the Shared Equipment, the Shared Channel or its own equipment located at the Transmitter Site or any other shared facilities so that it may install, maintain, repair, remove or otherwise work upon its broadcast equipment or the Shared

Equipment at the Transmitter Site or any other shared facility, Sharer and Sharee shall cooperate in a commercially reasonable manner. If necessary, Sharer shall temporarily reduce, limit or cease use of the Shared Equipment and the Shared Channel, provided that Sharer shall take commercially reasonable steps to (i) minimize the amount of time Sharee shall operate with reduced facilities, and (ii) schedule such installation, maintenance, repairs, removal or work at a time convenient to the non-requesting party.

3.4 <u>Force Majeure</u>. Neither party shall be liable to the other for any default or delay in the performance of its non-monetary obligations under this Agreement to the extent that the default or delay is caused by an event outside of its reasonable control, including without limitation a fire, flood, earthquake, war, act of terrorism, labor dispute, government or court action, failure of facilities or act of God.

## 3.5 Expenses.

- (a) Shared Costs. Sharee shall reimburse Sharer, within ten (10) business days after invoice therefor, for fifty percent (50%) of the following costs incurred by Sharer in the operation of the Shared Channel and the Transmission Facilities (subject to 3.5(c) below): the amount of rent and other payments due under the lease for the Transmitter Site (if any); utilities for the Transmission Facilities; Sharer's insurance for the Transmission Facilities, any real estate taxes or assessments and any other taxes with respect to the Transmission Facilities (other than Sharer's income taxes); costs related to modifications or upgrades of the Transmission Facilities by Sharer (including, without limitation, in connection with a change to a new standard of modulation); costs relating to the maintenance, repair or replacement of the Transmission Facilities, and any capital expenses related to the Shared Channel or Transmission Facilities, other than capital expenses solely related to Sharer's Station.
- (b) <u>Sole Costs</u>. Each of Sharer and Sharee shall be solely responsible for its own insurance costs (other than insurance costs related to the Transmission Facilities paid by Sharer and reimbursed as set forth in 3.5(a) above), costs for any necessary microwave link between its station's studio site and the Transmitter Site, any capital expenses related solely to its station using the Shared Channel, all expenses related to any equipment solely owned by it and not located at the Transmitter Site, its own FCC regulatory fees related to its use of the Shared Channel and any other FCC fees related to its use of its multicast stream, and all of its other expenses not related to the Transmission Facilities.
- (c) Relocation and Repacking Costs. Sharer and Sharee, to the extent applicable, shall seek reimbursement from the Broadcaster Relocation Fund for all costs incurred in (i) relocating the Sharer Station to a new channel as a result of the FCC's Repacking and (ii) moving the Transmission Facilities and the installation or modification of any Shared Equipment, and Sharee shall be responsible for one-half of all costs incurred by Sharer in connection with such Repacking, move, installation and modifications that are not reimbursed by the Broadcaster Relocation Fund.
- 3.6 Condemnation or Taking; Damage or Destruction. In the event that any governmental, quasi- governmental agency or other public body exercises its power of eminent domain and thereby takes all or part of the Transmission Facilities, or in the event of any damage

to or destruction of the Transmission Facilities, which renders the Transmission Facilities inoperable or unusable thereby making it physically or financially unfeasible, as determined by Sharer in its sole discretion, for the Transmission Facilities to be used in the manner it was intended to be used by the parties hereunder, the parties shall use commercially reasonable efforts to replace the Transmission Facilities or relocate to another facility that allows the parties to continue to fulfill their obligations hereunder. If the Sharer determines that it is not reasonable to replace or relocate then either party shall have the right to terminate this Agreement effective as of the date the condemning agency takes possession or as of the date of the damage or destruction, as the case may be, and the rental shall be equitably prorated. The parties shall apply any insurance proceeds relating to the damaged or otherwise unusable Transmission Facilities towards the cost of the relocation or replacement of the facilities. If only a portion of the Transmission Facilities is damaged or destroyed, and this Agreement is not terminated by one of the parties, and such damage or destruction does not prevent the Sharer or Sharee's Station from operating at its full authorized facilities, then this Agreement shall continue in full force and effect.

3.7. Call Right. Upon fifteen (15) days prior written notice to Sharee, and subject to all required FCC consents, if any, Sharer shall have the right (the "Call") to purchase Sharee's Station or in lieu of acquiring the FCC licenses to cause Sharee to relinquish to the FCC its FCC licenses related to Sharee's Station (including, as applicable, Sharee's FCC licenses with respect to the Shared Channel), and all FCC licenses and other assets of Shareee related thereto, on a price agreed upon by the parties in writing. Upon the exercise of such right, Sharer and Sharee shall take any action that Sharer deems necessary to effect the reversion to Sharer of Sharee's spectrum usage rights with respect to the Shared Channel, including making any required FCC filings related thereto.

## ARTICLE 4: INDEMNIFICATION

- 4.1 <u>General Indemnification</u>. Subject to Section 4.3, each of Sharer and Sharee shall indemnify, defend and hold the other harmless from and against any and all loss, liability, cost and expense (including reasonable attorneys' fees) arising from: (i) any breach of any representation or warranty made by it under this Agreement, (ii) failure to comply with the covenants and obligations to be performed by it under this Agreement and (iii) its use of the Transmission Facilities and the Shared Channel. Except as may be expressly set forth herein, Sharer hereby expressly disclaims any and all liability with respect to Sharee's Station, and Sharee hereby expressly disclaims any and all liability with respect to Sharer's Station. The prevailing party in a lawsuit brought to enforce the performance or compliance of any provision of this Agreement may recover reasonable attorneys' fees and costs from the non-prevailing party.
- 4.2 <u>Programming Indemnification</u>. Without limiting the terms of Section 4.1, subject to Section 4.3, each of Sharer and Sharee shall indemnify, defend and hold the other harmless from and against any and all loss, liability, cost and expense (including reasonable attorneys' fees) arising from the operation of its television station using the Shared Channel and the programming or advertising broadcast on such station, including without limitation for indecency, libel, slander, infringement of trademarks or trade names, infringement of copyrights

and proprietary rights, violation of rights of privacy and other violations of rights or FCC rules or other applicable law.

- 4.3 <u>Liability</u>. In no event shall either party have any liability, whether based on contract, tort (including negligence or strict liability), warranty or any other legal or equitable grounds, for any punitive, consequential, indirect, exemplary, special or incidental loss or damage suffered by the other arising from or related to the performance or nonperformance of this Agreement, including loss of data, profits, interest or revenue or interruption of business, even if such party has been informed of or might otherwise have anticipated or foreseen the possibility of such losses or damages.
- 4.4 <u>Survival</u>. The parties' obligations under this Article 4 shall survive any termination or expiration of this Agreement.

### ARTICLE 5: TERMINATION AND REMEDIES

## 5.1 Termination.

- (a) <u>Automatic Termination</u>. The Agreement shall automatically terminate, without further action by either party on the first to occur of: (i) the date that Sharer is Successful in the Incentive Auction, (ii) the date Sharee's Station exits from the Incentive Auction with no possibility of being reentered into the Incentive Auction, (iii) the date the FCC notifies Sharee that Sharee's Station is not qualified for the Incentive Auction or that Sharee is not a qualified bidder in the Incentive Auction, or (iv) the consummation of the transactions contemplated by the Call (as defined below).
- (b) <u>Termination by Sharee</u>. This Agreement can be terminated by Sharee upon notice to Sharer within thirty (30) days of being Successful in the Incentive Auction.
- (c) <u>Breach</u>. Either party may terminate this Agreement by written notice to the other in the event of a breach of or default under this Agreement (or any other agreement between the parties) in any material respect; provided, however, where any such default cannot reasonably be cured within thirty (30) days, neither party shall be deemed to be in default under this Agreement if such defaulting party commences to cure such default within said thirty (30) day period and thereafter diligently pursues such cure to completion in accordance with the terms hereto.
- (d) Loss of License. In addition, this Agreement shall terminate automatically, without further action by the parties, if (i) the FCC authorization to operate either Sharer's Station or Sharee's Station is surrendered, revoked, relinquished, withdrawn, rescinded, canceled or not renewed, or (ii) the FCC authorization to operate on the Shared Channel granted to either of Sharer or Sharee is surrendered, revoked, relinquished, withdrawn, rescinded, canceled or not renewed
- (e) <u>Termination of other agreements between the parties</u>. Sharer shall have the right to terminate this Agreement, by written notice to Sharee, upon the termination of any of the Operational Agreements (as hereinafter defined) or similar services agreements between Sharer and Sharee.

- (f) <u>Bankruptcy</u>. Either party may terminate this Agreement by written notice to the other upon (i) the institution by or against the other party of insolvency, receivership or bankruptcy proceedings, (ii) the other party making an assignment for the benefit of creditors or (iii) the other party's dissolution or ceasing to do business.
- (g) <u>Mutual Agreement</u>. The Agreement shall terminate upon the mutual written agreement of Sharer and Sharee.
- (h) <u>Survival</u>. No termination shall relieve a party of liability for failure to comply with this Agreement prior to termination. Notwithstanding anything herein to the contrary, Section 1.2(b), Section 3.5, Section 3.7, Article 4, Section 5.2, Section 5.3, Article 6 and all other provisions related to obligations to pay expenses shall survive any termination of this Agreement.
- 5.2 Specific Performance. In the event of failure or threatened failure by either party to comply with the terms of this Agreement, the other party shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement. In the event of any action to enforce this Agreement, the non-performing party hereby waives the defense that there is an adequate remedy at law and its rights, if any, to a jury trial, and the prevailing party shall be entitled to attorney's fees and court costs.
- 5.3 Remedies upon Termination. In addition to any other rights and remedies available to Sharer at law or in equity, in the event of termination of this Agreement for any reason (or in the event that Sharee relinquishes its license or its license is terminated for any reason), subject to all applicable FCC rules and regulations and making all necessary filings required thereby (but any such filings shall not prevent such reversion), the parties agree that Sharee's spectrum usage rights (but not its license) shall automatically revert to Sharer, and the Shared Channel shall return to non-shared status, without any further action by the parties. Upon such termination, Sharee shall cooperate with Sharer and take any action that Sharer deems necessary to effect the reversion of the spectrum usage rights to Sharer, including making any FCC filings.

### ARTICLE 6: MISCELLANEOUS

- 6.1 <u>Confidentiality</u>. Subject to the requirements of applicable law, all non-public information regarding Sharer and Sharee and their respective businesses and properties that is disclosed in connection with the performance of this Agreement (including without limitation any financial information) shall be confidential and shall not be disclosed to any other person or entity. This Section shall survive any termination or expiration of this Agreement.
- 6.2 <u>Authority</u>. Each of Sharer and Sharee represents and warrants to the other that (i) it has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) it is in good standing in the jurisdiction of its organization and, if necessary, is qualified to do business in the state in which the Transmitter Site is located, (iii) it has duly authorized this Agreement, and this Agreement is binding upon it, and (iv) the

execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound.

### 6.3 Information.

- (a) If either party becomes subject to litigation or similar proceedings before the FCC (including without limitation initiation of enforcement actions), Internal Revenue Service or other court or governmental authority that is reasonably likely to have a material adverse effect on such party or its television station using or proposed to be using the Shared Channel, then it shall immediately provide written notice of such proceeding to the other party and provide all information with respect thereto as reasonably requested by the other party.
- (b) If either party files a petition in bankruptcy, has an involuntary petition in bankruptcy filed against it which is not dismissed within sixty (60) days of the date of filing, files for reorganization or arranges for the appointment of a receiver or trustee in bankruptcy or reorganization of all or a substantial portion of its assets or of the assets related to its television station using or proposed to be using the Shared Channel, or it makes an assignment for such purposes for the benefit of creditors, then it shall immediately provide written notice of such proceeding to the other party and provide all information with respect thereto as reasonably requested by the other party.
- Sale or Assignment. Sharee shall not (i) sell, assign, transfer, lease or sub-lease 6.4 (by transfer of control or otherwise) all or part of Sharee's Station or any of Sharee's allocated bandwidth on the Shared Channel, or (ii) assign, transfer (by transfer of control or otherwise) or sublease this Agreement, or any part of this Agreement or any rights and obligations hereunder. without the prior written consent of Sharer in its sole discretion and subject to such parties assumption of all Sharee's rights and obligations under this Agreement. Sharer shall have the right to assign or transfer this Agreement, and any or all of its rights hereunder, upon notice to Sharee, to any party who assumes this Agreement in writing. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns. In addition to the rights granted pursuant to Section 5 hereof, this Agreement shall automatically terminate, upon written notice of Sharer to Sharee, if Sharee attempts to assign or transfer, including, without limitation filing any assignment or transfer of control application with the FCC with respect thereto, its rights under this Agreement (or any portion thereof), the spectrum usage rights granted hereunder (or any portion thereof), or its FCC license relating to the Shared Channel (or any portion thereof).
- 6.5 Severability. The transactions contemplated by this Agreement are intended to comply with the Communications Act of 1934, as amended, and the rules of the FCC. If any court or governmental authority holds any provision of this Agreement invalid, illegal, or unenforceable under any applicable law, then so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

Notwithstanding the foregoing, in the event that the FCC requires the modification of this Agreement in order to participate in the Incentive Auction or otherwise to comply with its rules,, and such modification would cancel, change or supersede any material term or provision hereof, the parties shall work in good faith to amend, modify or otherwise reform this Agreement (or portion thereof) to comply with such law and preserve or restore, as the case may be, the rights and benefits (including economic benefits) contemplated by this Agreement or otherwise provide to the parties hereto rights and benefits (including economic benefits) substantially similar to those contemplated by this Agreement. If, within a reasonable time, after using best efforts and in good faith, the parties cannot modify or amend the Agreement or "sever" an invalid, illegal or unenforceable provision to bring the Agreement into compliance with Law, then the termination provisions herein shall be available.

6.6 <u>Notices</u>. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, or on the third day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Sharer:

Sinclair Broadcast Group, Inc.

10706 Beaver Dam Rd. Hunt, Valley, MD 21030 Attention: President

with a copy (which shall not constitute notice to):

Sinclair Broadcast Group, Inc. 10706 Beaver Dam Rd. Hunt, Valley, MD 21030 Attention: General Counsel

if to Sharee:

Howard Stick Holdings 201 Massachusetts Ave NE Suite C-1 Washington, DC 20002 Attn: Armstrong Williams

with a copy (which shall not constitute notice to):

Attention:	
Facsimile No.:	

6.7 <u>Governing Law</u>. The construction and performance of this Agreement shall be governed by the laws of the State of Maryland without giving effect to the choice of law provisions thereof.

- 6.8 <u>Miscellaneous</u>. This Agreement may not be amended except in a writing executed by both parties. No waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such waiver or consent is sought. No party shall be authorized to act as an agent of or otherwise to represent the other party to this Agreement. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. This Agreement constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect to the subject matter hereof. This Agreement may be executed in separate counterparts
- 6.9 Other Agreements. The parties acknowledge that Sharer and Sharee, or their affiliates, are parties to a Tower, Studio and Services Agreement(the "Operational Agreement") relating to Sharee's Station. Notwithstanding anything herein to the contrary, the terms of this Agreement are subject to the terms of the Operational Agreement, and nothing herein shall be deemed to amend or modify the Operational Agreement. If there is a conflict or inconsistency between any of the Operational Agreement and this Agreement, or any of the provisions contained therein or herein, the terms of the Operational Agreement shall govern. In addition, the obligations of Sharer hereunder are subject to the receipt of any required consents, if any, to the shared use of the Transmission Facilities.

[SIGNATURE PAGE FOLLOWS]

# SIGNATURE PAGE TO CHANNEL SHARING AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Channel Sharing Agreement as of the date first set forth above.

SHARER:

SHAREE:

Sinclair Television Group, Inc.

By:

CFO

Title:

HSH LANCASTER (WLYH) LICENSEE, LLC

Name: Name: Now HS AF OWNER HS AF

# Exhibit A

# SHARED EQUIPMENT

Antenna, Transmitter, Digital Transmission System, and related equipment located at transmission site.

#### SCHEDULE 2.1

Z. Pare

## Engineering Plan

Upon the request of Sharer, Sharer and Sharee shall implement a weighting system as allowed by the encoding pool to allow each party to prioritize its program streams rather than use a fixed allocation of bits of the Shared Channel. In connection therewith, (i) each of Sharer and Sharee will designate one program stream with the highest priority and (ii) other sub-channels will have a lesser priority as mutually agreed by the parties based on empirical testing by Sharer and Sharee, and the parties shall cooperate to devise a system that produces the best results for each party with minimum picture degradation. In the event the parties are unable to agree on a system, then the parties shall implement a fixed allocation of bits of the Shared Channel for their respective broadcast needs. Notwithstanding the foregoing or anything in this Agreement to the contrary, Sharer, shall have the right, in its sole discretion and control, to use all bandwidth of the Shared Channel (regardless as to whether a new standard of modulation is permitted by FCC Rules and implemented by Sharer), other than such portion of the bandwidth as is required by Sharee to provide at least one SD program stream.